

To support its theory, the Report relies heavily on testimony given by Secretary Babbitt before the Grand Jury. Regrettably, however, the Report places a sinister connotation on testimony that, read in context, is benign. And, in one important respect, the Report ignores important testimony that undercuts its theory.

Example: The Report states that:

Babbitt has conceded that he "chose" not to provide in the [McCain] letter the fact that he invoked Ickes's name to Eckstein, and has acknowledged that he should have been "more forthcoming" about the Eckstein conversation with Sen. McCain; that he had to be "more forthcoming" with the Senate Committee than he had been with McCain because the Eckstein conversation had "come back to haunt" him; and that he had "to struggle" to reconcile his two letters before the Senate Committee so that it would not appear that he deliberately misled Sen. McCain.

(Report at 476-77 (citing Babbitt Grand Jury Test. at 220, 221, 290, 292).)

The full context of the testimony from which the quoted words are drawn show that they do not constitute the concessions by Secretary Babbitt suggested by the Report:

- Q. You don't dispute that it is true that you invoked Harold Ickes' name in the conversation with Paul Eckstein?
- A. That's correct.
- Q. But you chose not to say that in the August 30th letter?
- A. That's correct.
- Q. Mr. Babbitt, isn't it true that if you did say to Senator McCain on August 30th that you used Harold Ickes's name in response to - well, in the meeting with Paul Eckstein, that you knew that it would almost certainly lead to further inquiry by somebody as to what Harold Ickes' involvement had been in this transaction?
- A. *I have no recollection of thinking that.* You know what I really thought, what I believe I thought when I was drafting this letter - and again, this goes to this whole issue - that this letter come floating in. I haven't thought about this conversation, you know, since Eckstein walked out my door. It didn't, in my mind, relate to any external events at

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entire Eckstein allegation, including the fact that Ickes' name was mentioned, is not unreasonable and is a "permissible inference." (Babbitt Grand Jury Test. at 222:8.)